Tax imposed by New York Authorities

2713. DR. (SHRIMATI) NAJMA A. HEPTULLA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that New York authorities have imposed 170 crore property tax on India related to a twenty-six storey building occupied by India for the purposes of diplomatic residence;

(b) if so, the position in Vienna Convention on Consular and Diplomatic relations regarding staff residence for diplomats in other countries; and

(c) the practice being followed by India in cases of diplomatic residences in India?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI ANAND SHARMA): (a) The District Court in New York has ruled in favour of the New York City's position regarding payment of real estate taxes on portions of foreign government property that is not used exclusively for the purposes of maintaining offices or quarters for the principal resident representative or resident representative with the rank of Ambassador or Minister plenipotentiary, or offices for the staff of such representative. The amount in question stands at US dollars 42451769.35 (or Rs. 169.81 crores as on 17-03-2008).

(b) Article 23 of the Vienna Convention on Diplomatic Relations (VCDR) states that "the sending state and the Head of Mission shall be exempt from all national, regional, or municipal dues and taxes in respect of the premises of the Mission, whether owned or leased, other than such as represent payment for specific services rendered". The Vienna Convention on Consular Relations (VCCR) provides a similar exemption.

(c) Government grants exemption of property tax to diplomatic residences in India in accordance with the provisions of the VCDR and VCCR both of which incorporate the principle of reciprocity.

Infiltration from North Eastern States

†2714. SHRI SHREEGOPAL VYAS:
SHRI RUDRA NARAYAN PANY:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the new Government of Bhutan has expressed its apprehension over infiltration from the North-Eastern States;

(b) whether it was also said that stringent action would be taken in that event; and

(c) the steps being taken by Government to stop infiltration?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI PRANAB MUKHERJEE): (a) to (c) Both India and Bhutan are committed that neither Government shall allow the use of its territory for activities harmful to the national security and interest of the other. Steps necessary to this end are taken by both governments.

† Original notice of the question was received in Hindi.